

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Bky. Case No. 09-50779
Chapter 7

Dennis E. Hecker,

Debtor.

Randall L. Seaver, Trustee,

Adv. Case No. 10-05011

Plaintiff,

v.

Northstate Financial Corporation,
Rosedale Leasing, LLC,

Defendants.

Bremer Bank, N.A.,

Defendant and Cross-Claimant

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

This proceeding is before the court on the application of cross-
claim plaintiff Bremer Bank, N.A. for entry of default judgment
against defendant Northstate Financial Corporation. Based on the application and
the file, the court makes the following

FINDINGS OF FACT

1. This adversary proceeding was commenced on March 17, 2010, by Randall L. Seaver in his capacity as trustee. On March 25, 2010, the plaintiff filed an amended complaint.
2. On April 16, 2010, the Bremer Bank filed and served its answer and cross-claim in which it asserted a cross-claim against Northstate Financial Corporation.
3. The deadline for Northstate to answer or otherwise respond to the complaint was May 7, 2010.
4. More than 21 days have passed since the date on which the bank served Northstate with the bank's answer and cross-claim.
5. To date, Northstate has failed to answer or otherwise defend against Bremer Bank's cross-claim.
6. On July 12, 2010, the court approved the stipulation between the bank and the trustee regarding the distribution of proceeds generated from the trustee's liquidation of assets in Northstate's possession and identified in the trustee's complaint.
7. As of April 17, 2009, the following sums are due and owing under the loan documents:

<u>Note</u>	<u>Principal</u>	<u>Interest</u>
Note 1	\$499,355.53	\$1,791.17
Note 2	\$1,000,000.00	\$3,583.32

CONCLUSIONS OF LAW

1. The bank properly served and filed its answer and cross-claim on Northstate.
2. More than 21 days have passed since the date on which the bank served Northstate with the bank's answer and cross-claim.
3. Northstate has not served or filed an answer or otherwise responded to the bank's cross-claim.
4. Northstate is in default for its failure to timely answer or otherwise respond to the bank's cross-claim.

ORDER

1. The application for default judgment is granted.
2. Defendant Bremer Bank, N.A. shall recover from defendant Northstate Financial Corporation the sum of \$1,504,730.00.

Dated: July 20, 2010

/e/ Robert J. Kressel

United States Bankruptcy Judge

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NOTICE OF ELECTRONIC ENTRY AND
FILING ORDER OR JUDGMENT
Filed and Docket Entry made on **07/20/2010**
Lori Vosejpk, Clerk, by AMM